



**Testimony
Betsy Gara
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Connecticut Council of Small Towns
Before the Planning & Development Committees
March 14, 2014**

**Re: SB-404 - AN ACT CONCERNING BUILDING PERMIT FEES FOR CLASS I
RENEWABLE ENERGY PROJECTS AND RENEWABLE ENERGY CREDITS FOR
TRASH-TO-ENERGY FACILITIES**

The Connecticut Council of Small Towns (COST) opposes provisions in **Section 1 of SB-404**, which would limit building permit fees for Class I Renewable Energy Projects.

Although many towns are adopting and promoting renewable energy goals to improve energy efficiency for municipal facilities, businesses and residents, we cannot support legislation that further erodes municipal revenues.

Municipal fees are set forth in statute and have not been increased in decades. Moreover, towns wind up collecting pennies on the dollar for many municipal fees because state statute dictates that a large percentage of certain fees, such as land recording fees, be directed to the state to support various programs. For example, towns are responsible for 100% of the costs in land recording – indexing, scanning, microfilming, authenticating, preserving and storing the records. However, towns only retain \$15 of the \$53 recording fee, which is insufficient to cover municipal costs associated with recording documents.

In fact, in many cases, the amount of fee that is retained by the town fails to adequately compensate the town for the time in processing the record or issuing the permit. Therefore, COST adamantly opposes Section 1 of the bill, which would reduce municipal fees, undermining the ability of municipalities to deliver critical services, such as education and public safety.

We urge you to oppose this section, and instead, consider increasing municipal fees and allowing towns to retain a greater percentage of the fees they already collect.

COST supports **Section 3** of the bill, which requires that a renewable energy credit issued to trash-to-energy facilities certified as a Class II renewable energy source not be less than one cent per kilowatt hour.

Due to the decline of natural gas prices, trash burning plants have seen a significant reduction in the price that they could obtain for power generated at the plants. As a result, towns may face steep increases in tipping fees.



Section 3 of the bill will help control tipping fees borne by municipalities by raising the value of energy and providing facilities with a reliable revenue stream. This revenue stream will support the continuation of waste disposal operations in Connecticut in an environmentally responsible manner. Otherwise, plants may be unable to continue operations, forcing towns to pursue out-of-state landfill alternatives.

COST is an advocacy organization committed to giving small towns a strong voice in the legislative process. Its members are Connecticut towns with populations of less than 30,000. COST champions the major policy needs and concerns of Connecticut's suburban and rural towns.